

FILED

FEB - 3 2016

U.S. DISTRICT COURT
EASTERN DISTRICT OF MO
ST. LOUIS

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

DEMEA LOYD,

Defendant.

No.

4:16CR00052 JAR/JMB

INDICTMENT

INTRODUCTION

At all times relevant to this Indictment:

1. Demea Loyd (Loyd) formed J.O.D.A., a limited liability company in the State of Missouri.

2. Through J.O.D.A., Loyd owned two stores; one in Washington, Missouri, the other in Rolla, Missouri.

3. Through J.O.D.A., Loyd entered into an agreement with Sears Authorized Hometown Stores, LLC (Sears) to exclusively distribute Sears merchandise from her two stores. The agreement between Loyd and Sears stated that Loyd would distribute the Sears merchandise on a consignment basis and that the merchandise would remain Sears' property until ownership was transferred to a customer. In exchange, Loyd was paid a commission by Sears based on the amount of sales. Further, the agreement stated that Loyd would deposit all proceeds from each store into a "holding" account specifically established for each store for the purpose of maintaining the proceeds in trust for the benefit of Sears until transferred to a Sears account. By

the terms of the agreement Loyd was required to transmit to Sears the “holding” account statements detailing daily transactions.

THE SCHEME

4. From on or about April 1, 2013 and continuing until on or about December 31, 2014, in the Eastern District of Missouri,

DEMEA LOYD,

the Defendant herein, did knowingly and willfully devise and intend to devise a scheme and artifice to defraud and to obtain approximately \$400,000 from Sears, by means of false and fraudulent pretenses and representations, well knowing that said pretenses and representations were false when made.

5. It was part of the scheme and artifice that Loyd would withdraw funds from the “holding” account for both stores and convert those funds to personal use.

6. It was part of the scheme and artifice that Loyd would at times fail to deposit proceeds from both stores into the appropriate “holding” account but rather deposited proceeds into other accounts controlled by Loyd.

7. It was part of the scheme and artifice that Loyd would create fraudulent “holding” account monthly statements, falsely indicating significantly larger account balances than actual, to cover her unauthorized withdrawals and failure to deposit all store proceeds.

8. It was part of the scheme and artifice that Loyd would submit the fraudulent account statements by email or fax to Sears, falsely representing that they were the actual statements, true and accurate.

EXECUTION OF THE SCHEME

9. On or about the dates listed in Column B, for the purpose of executing the scheme and artifice and attempting to do so, Loyd knowingly transmitted and caused to be transmitted to Sears by wire communication in interstate commerce the fraudulent "holding" account statement for the month listed in Column C, for the store listed in Column D.

A Count	B Date of Wire	C Item Wired	D Store Involved
One	5/3/2013	Fraudulent "holding" account statement for April 2013	Washington, Missouri
Two	9/19/2014	Fraudulent "holding" account statement for August 2014	Washington, Missouri
Three	10/21/2014	Fraudulent "holding" account statement for September 2014	Washington, Missouri
Four	11/22/2014	Fraudulent "holding" account statement for October 2014	Washington, Missouri
Five	12/3/2014	Fraudulent "holding" account statement for November 2014	Rolla, Missouri

All in violation of, and punishable under, Title 18, United States Code, Sections 1343 and

2.

A TRUE BILL.

FOREPERSON

RICHARD G. CALLAHAN
United States Attorney

JOHN J. WARE, #40880MO
Assistant United States Attorney